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**TOWN OF IOWA, LOUISIANA
ANNUAL FINANCIAL REPORT
JUNE 30, 2000**

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Release Date DEC 20 2000

TOWN OF IOWA, LOUISIANA

ANNUAL FINANCIAL REPORT
Year Ended June 30, 2000

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TOWN OF IOWA, LOUISIANA

June 30, 2000

MAYOR

The Honorable Lawrence Toups, Jr.

BOARD OF ALDERMEN

Mr. Calvin Caesar
Mr. Gerald Guidry
Mr. Dwayne O'Brien

Mrs. Carol Ponthieux
Mrs. Amanda Racca

LEGAL COUNSEL

Mr. Eugene Bouquet

TOWN CLERK

Ms. Sandra Turley

McElroy, Quirk & Burch

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Carl W. Comeaux, CPA
Barbara Hutson Gonzales, CPA
Judson J. McCann Jr., CPA
Martin L. Chehotsky, CPA, CFE*
Robert M. Gani, CPA, MT**
Tina Demarest Barrett, CPA, CVA***
Mollie C. Broussard, CPA

Anne Collette, CPA

* Certified Fraud Examiner
** Masters of Taxation
*** Certified Valuation Analyst



Charles P. Quirk, CPA, Retired
Oray J. Woods Jr., CPA, Inactive
Robert E. Cargile, CPA, Inactive
William A. Mancuso, CPA, Retired

Charles L. McElroy, CPA (1917-1997)
Patrick J. Reddin, CPA (1926-1995)
Frank D. Burch, CPA (1921-1991)

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Town Council
Town of Iowa
Iowa, Louisiana

We have audited the accompanying general purpose financial statements of the Town of Iowa, Louisiana, and the combining, individual fund and account group financial statements of the Town as of June 30, 2000, and for the year then ended, as listed in the table of contents. These financial statements are the responsibility of the Town's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general-purpose financial statements referred to above present fairly, in all material respects, the financial position of the Town of Iowa, Louisiana at June 30, 2000, and the results of its operations and cash flows of its proprietary fund type for the year then ended, in conformity with generally accepted accounting principles. Also, in our opinion, the combining, individual fund and account group financial statements referred to above present fairly, in all material respects, the financial position of each of the individual funds and account groups of the Town of Iowa, Louisiana at June 30, 2000, and the results of operations of such funds and the cash flows of the individual proprietary fund for the year then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued a report dated November 8, 2000, on our consideration of the Town of Iowa's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

McElroy, Quirk & Burch

Lake Charles, Louisiana
November 8, 2000

COMBINED STATEMENTS - OVERVIEW
("LIFTABLE" GENERAL PURPOSE
FINANCIAL STATEMENTS)

TOWN OF IOWA, LOUISIANA

COMBINED BALANCE SHEET-ALL FUND TYPES AND ACCOUNT GROUPS
June 30, 2000

ASSETS	Governmental Fund Types		
	General	Special Revenue	Capital Projects
Cash	\$ 95,810	\$ 326,980	\$ 1
Certificates of deposit	-	190,295	121,572
Investments	121,584	922,496	-
Due from other funds	-	86,972	-
Receivables (net, where applicable, of allowance for uncollectibles):			
Taxes	1,826	74	-
Accounts	56,202	-	-
Intergovernmental	-	7,087	-
Grants	-	30,192	3,931
Prepaid expenses	-	-	-
Deposits	-	-	-
Restricted assets:			
Customers' deposits-cash	17,176	-	-
Cafeteria plan escrow-cash	337	-	-
Construction deposit	5,000	-	-
Fixed assets (net of accumulated depreciation)	-	-	-
Amount to be provided for retirement of general long-term debt	-	-	-
Total assets	<u>\$ 297,935</u>	<u>\$ 1,564,046</u>	<u>\$ 125,504</u>

Proprietary Fund Type Enterprise	Account Groups		Totals	
	General	General	(Memorandum Only)	
	Fixed	Long-Term	2000	1999
Enterprise	Assets	Debt		
\$ 39,778	\$ -	\$ -	\$ 462,569	\$ 501,537
-	-	-	311,867	847,494
-	-	-	1,044,030	927,179
-	-	-	86,972	101,209
-	-	-		
-	-	-	1,900	1,347
14,134	-	-	70,336	44,385
-	-	-	7,087	6,054
-	-	-	34,123	136,692
3,142	-	-	3,142	3,142
100	-	-	100	100
-	-	-		
12,479	-	-	29,655	31,770
-	-	-	337	490
-	-	-	5,000	50,000
1,986,651	3,784,890	-	5,771,541	4,959,607
-	-	758,914	758,914	861,439
<u>\$ 2,056,284</u>	<u>\$ 3,784,890</u>	<u>\$ 758,914</u>	<u>\$ 8,587,573</u>	<u>\$ 8,472,445</u>

(continued on next page)

TOWN OF IOWA, LOUISIANA

COMBINED BALANCE SHEET-ALL FUND TYPES AND ACCOUNT GROUPS

June 30, 2000

(Continued)

<u>LIABILITIES</u>	<u>Governmental Fund Types</u>		
	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>
Accounts payable	\$ 39,942	\$ 73,825	\$ 3,931
Accrued interest	13,125	-	-
Payable from restricted assets:			
Customer deposits	17,176	-	-
Cafeteria plan escrow account	637	-	-
Construction deposit payable	5,000	-	-
Note payable	-	-	-
Certificate of indebtedness	-	-	-
Other payables	6,135	1,207	-
Due to other funds	<u>27,443</u>	<u>59,178</u>	<u>-</u>
Total liabilities	<u>109,458</u>	<u>134,210</u>	<u>3,931</u>
 <u>FUND EQUITY</u>			
Contributed capital	-	-	-
Investment in general fixed assets	-	-	-
Retained earnings	-	-	-
Fund balance:			
Unreserved-undesignated (deficit)	<u>188,477</u>	<u>1,429,836</u>	<u>121,573</u>
Total retained earnings/fund balance	<u>188,477</u>	<u>1,429,836</u>	<u>121,573</u>
Total fund equity	<u>188,477</u>	<u>1,429,836</u>	<u>121,573</u>
Total liabilities and fund equity	<u>\$ 297,935</u>	<u>\$ 1,564,046</u>	<u>\$ 125,504</u>

See accompanying notes to financial statements

Proprietary Fund Type Enterprise	Account Groups		Totals (Memorandum Only)	
	General Fixed Assets	General Long-Term Debt	2000	1999
\$ 13,349	\$ -	\$ -	\$ 131,047	\$ 144,913
-	-	-	13,125	38,780
12,479	-	-	29,655	31,770
-	-	-	637	789
-	-	-	5,000	50,000
-	-	8,914	8,914	22,439
-	-	750,000	750,000	839,000
649	-	-	7,991	1,027
351	-	-	86,972	101,209
<u>26,828</u>	<u>-</u>	<u>758,914</u>	<u>1,033,341</u>	<u>1,229,927</u>
1,327,626	-	-	1,327,626	410,868
-	3,784,890	-	3,784,890	3,786,900
701,830	-	-	701,830	826,445
<u>-</u>	<u>-</u>	<u>-</u>	<u>1,739,886</u>	<u>2,218,305</u>
<u>701,830</u>	<u>-</u>	<u>-</u>	<u>2,441,716</u>	<u>3,044,750</u>
<u>2,029,456</u>	<u>3,784,890</u>	<u>-</u>	<u>7,554,232</u>	<u>7,242,518</u>
<u>\$ 2,056,284</u>	<u>\$ 3,784,890</u>	<u>\$ 758,914</u>	<u>\$ 8,587,573</u>	<u>\$ 8,472,445</u>

TOWN OF IOWA, LOUISIANA

COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - ALL GOVERNMENTAL FUND TYPES
Year Ended June 30, 2000

	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>
Revenues:			
Taxes	\$ 327,263	\$ 1,006,077	\$ -
Licenses and permits	108,614	-	-
Intergovernmental	4,500	2,891	-
Charges for services	280,316	-	-
Fines and forfeits	28,624	-	-
Interest earned	11,079	79,746	6,376
Fire insurance	-	6,123	-
Contributions received	500	1,000	-
Grants received	11,242	299,536	63,319
Miscellaneous	<u>17,751</u>	<u>7,142</u>	<u>-</u>
Total revenues	<u>789,889</u>	<u>1,402,515</u>	<u>69,695</u>
Expenditures:			
Current:			
General government	178,443	394,676	-
Public safety	350,843	-	-
Highways and streets	20,143	197,405	-
Culture and recreation	-	103,205	-
Sanitation	198,497	-	63,319
Fire Protection District	-	45,094	-
Housing rehabilitation expenditures	-	150,034	-
Other services and charges	-	803,736	-
Debt service:			
Principal retirements	89,000	13,525	-
Interest paid	<u>42,595</u>	<u>1,167</u>	<u>-</u>
Total expenditures	<u>879,521</u>	<u>1,708,842</u>	<u>63,319</u>
Excess (deficiency) of revenues over expenditures	<u>(89,632)</u>	<u>(306,327)</u>	<u>6,376</u>
Other financing sources (uses):			
Operating transfers in	110,292	-	-
Operating transfers out	<u>-</u>	<u>(199,128)</u>	<u>-</u>
Total other financing sources (uses)	<u>110,292</u>	<u>(199,128)</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	20,660	(505,455)	6,376
Fund balance at beginning of year	<u>167,817</u>	<u>1,935,291</u>	<u>115,197</u>
Fund balance at end of year	<u>\$ 188,477</u>	<u>\$ 1,429,836</u>	<u>\$ 121,573</u>

See accompanying notes to financial statements

<u>Totals (Memorandum Only)</u>	
<u>2000</u>	<u>1999</u>
\$ 1,333,340	\$ 1,229,763
108,614	93,358
7,391	7,214
280,316	253,150
28,624	15,884
97,201	87,081
6,123	6,053
1,500	-
374,097	560,333
<u>24,893</u>	<u>9,501</u>
<u>2,262,099</u>	<u>2,262,337</u>
573,119	195,538
350,843	302,361
217,548	227,682
103,205	85,064
261,816	677,737
45,094	72,892
150,034	36
803,736	40,671
102,525	95,678
<u>43,762</u>	<u>48,974</u>
<u>2,651,682</u>	<u>1,746,633</u>
<u>(389,583)</u>	<u>515,704</u>
110,292	101,752
<u>(199,128)</u>	<u>(324,521)</u>
<u>(88,836)</u>	<u>(222,769)</u>
(478,419)	292,935
<u>2,218,305</u>	<u>1,925,370</u>
<u>\$ 1,739,886</u>	<u>\$ 2,218,305</u>

TOWN OF IOWA, LOUISIANA

COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES-BUDGET AND ACTUAL (BUDGET BASIS)-GOVERNMENTAL FUND TYPES
Year Ended June 30, 2000

	<u>General Fund</u>		Variance
	<u>Budget</u>	<u>Actual</u>	<u>Favorable (Unfavorable)</u>
Revenues:			
Taxes	\$ 324,668	\$ 328,164	\$ 3,496
Licenses and permits	106,466	108,614	2,148
Intergovernmental	-	1,500	1,500
Charges for services	249,217	254,472	5,255
Fines and forfeits	28,625	28,624	(1)
Interest earned	10,009	11,079	1,070
Fire insurance	-	-	-
Contributions received	-	500	500
Grants received	11,242	11,242	-
Miscellaneous	<u>20,445</u>	<u>17,750</u>	<u>(2,695)</u>
Total revenues	<u>750,672</u>	<u>761,945</u>	<u>11,273</u>
Expenditures:			
Current:			
General government	179,599	177,791	1,808
Public safety	342,929	344,601	(1,672)
Highways and streets	18,356	20,143	(1,787)
Sanitation	181,578	208,467	(26,889)
Fire Protection District	-	-	-
Housing rehabilitation expenditures	-	-	-
Other services and charges	-	-	-
Debt service:			
Principal retirements	89,000	89,000	-
Interest paid	<u>29,470</u>	<u>29,470</u>	<u>-</u>
Total expenditures	<u>840,932</u>	<u>869,472</u>	<u>(28,540)</u>
Excess (deficiency) of revenues over expenditures (budget basis)	<u>(90,260)</u>	<u>(107,527)</u>	<u>(17,267)</u>
Other financing sources (uses):			
Operating transfers in (out)	110,292	110,292	-
Appropriation of prior year's fund balance	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>110,292</u>	<u>110,292</u>	<u>-</u>

<u>Special Revenue Funds</u>		
<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
\$ 1,017,398	\$ 1,015,694	\$ (1,704)
-	-	-
3,000	1,927	(1,073)
-	-	-
-	-	-
72,659	79,748	7,089
6,054	315	(5,739)
-	-	-
258,798	258,782	(16)
<u>6,895</u>	<u>8,141</u>	<u>1,246</u>
<u>1,364,804</u>	<u>1,364,607</u>	<u>(197)</u>
364,990	373,314	(8,324)
184,553	196,207	(11,654)
96,855	103,170	(6,315)
-	-	-
60,625	45,094	15,531
135,014	135,015	(1)
820,664	799,156	21,508
15,000	13,525	1,475
-	<u>1,167</u>	<u>(1,167)</u>
<u>1,677,701</u>	<u>1,666,648</u>	<u>11,053</u>
<u>(312,897)</u>	<u>(302,041)</u>	<u>10,856</u>
(189,128)	(199,128)	(10,000)
<u>524,680</u>	<u>-</u>	<u>(524,680)</u>
<u>335,552</u>	<u>(199,128)</u>	<u>(534,680)</u>

(continued on next page)

TOWN OF IOWA, LOUISIANA

COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES-BUDGET AND ACTUAL (BUDGET BASIS)-GOVERNMENTAL FUND TYPES

Year Ended June 30, 2000

(Continued)

	<u>General Fund</u>		
	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Excess (deficiency) of revenues and other financing sources over expenditures and other uses (budget basis)	<u>\$ 20,032</u>	<u>2,765</u>	<u>\$ (17,267)</u>
Adjustments: (Note 12)			
Accrued revenue		27,944	
Accrued expenditures		<u>(10,049)</u>	
Total adjustments budget to GAAP basis		<u>17,895</u>	
Excess of revenues and other financial sources over expenditures and other uses (GAAP basis)		20,660	
Fund balance at beginning of year		<u>167,817</u>	
Fund balance at end of year		<u>\$ 188,477</u>	

See accompanying notes to financial statements

<u>Special Revenue Funds</u>		
<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
<u>\$ 22,655</u>	<u>(501,169)</u>	<u>\$ (523,824)</u>
	41,443	
	<u>(45,729)</u>	
	<u>(4,286)</u>	
	(505,455)	
	<u>1,935,291</u>	
	<u>\$ 1,429,836</u>	

TOWN OF IOWA, LOUISIANA

COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN
FUND EQUITY - PROPRIETARY FUND TYPE
Years Ended June 30, 2000 and 1999

	<u>Enterprise Fund</u>	
	<u>2000</u>	<u>1999</u>
Operating revenues:		
Charges for services	\$ 157,898	\$ 158,321
Operating expenses:		
Salaries	138,513	130,141
Payroll taxes	10,794	13,318
Insurance	27,055	19,484
Repairs, maintenance and supplies	47,555	49,995
Utilities	21,808	18,579
Depreciation	240,131	140,984
Other services and charges	28,045	17,308
Total operating expenses	513,901	389,809
Operating (loss)	(356,003)	(231,488)
Nonoperating revenues:		
Interest earned	1,206	864
Miscellaneous revenues	4,029	80
Total nonoperating revenues	5,235	944
(Loss) before operating transfers	(350,768)	(230,544)
Operating transfers:		
Operating transfers in	88,836	222,769
Net (loss)	(261,932)	(7,775)
Add depreciation on fixed assets acquired with contributed capital	137,317	18,532
Increase (decrease) in retained earnings	(124,615)	10,757
Retained earnings at beginning of year	826,445	815,688
Retained earnings at end of year	701,830	826,445

(continued on next page)

TOWN OF IOWA, LOUISIANA

COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN
FUND EQUITY - PROPRIETARY FUND TYPE
Year Ended June 30, 2000 and 1999
(Continued)

	<u>Enterprise Fund</u>	
	<u>2000</u>	<u>1999</u>
Retained earnings at end of year	<u>701,830</u>	<u>826,445</u>
Contributed capital-general fund:		
Balance at beginning of year	30,202	32,067
Less depreciation on water lines	<u>-</u>	<u>(1,865)</u>
Balance at end of year	<u>30,202</u>	<u>30,202</u>
Contributed capital-community development block grant:		
Balance at beginning of year	380,666	397,333
Water line extensions	284,133	-
Depreciation on water tower and lines	<u>(44,303)</u>	<u>(16,667)</u>
Balance at end of year	<u>620,496</u>	<u>380,666</u>
Contributed capital-sales tax water improvement:		
Balance at beginning of year	-	-
Water plant improvements and water line extensions	769,943	-
Depreciation on plant and lines	<u>(93,015)</u>	<u>-</u>
Balance at end of year	<u>676,928</u>	<u>-</u>
Total contributed capital-end of year	<u>1,327,626</u>	<u>410,868</u>
Total fund equity-end of year	<u>\$ 2,029,456</u>	<u>\$ 1,237,313</u>

See accompanying notes to financial statements

TOWN OF IOWA, LOUISIANA
COMPARATIVE STATEMENTS OF CASH FLOWS
PROPRIETARY FUND TYPE
Years Ended June 30, 2000 and 1999

	<u>2000</u>	<u>1999</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from customers	\$ 159,254	\$ 160,358
Cash payments to suppliers for goods and services	(110,504)	(108,521)
Cash payments to employees	<u>(149,307)</u>	<u>(143,459)</u>
Net cash (used in) operating activities	<u>(100,557)</u>	<u>(91,622)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Miscellaneous revenue	4,029	80
Operating transfer from other funds (net)	88,836	222,769
Interfund payable increase (decrease)	<u>(7,077)</u>	<u>3,306</u>
Net cash provided by noncapital financing activities	<u>85,788</u>	<u>226,155</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Payments for capital acquisitions	<u>-</u>	<u>(122,683)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Receipts of interest	<u>1,206</u>	<u>864</u>
Net increase (decrease) in cash and cash equivalents	(13,563)	12,714
Cash and cash equivalents:		
Beginning of year	<u>65,820</u>	<u>53,106</u>
End of year	<u>\$ 52,257</u>	<u>\$ 65,820</u>
RECONCILIATION OF OPERATING (LOSS) TO NET CASH (USED IN) OPERATING ACTIVITIES		
Operating (loss)	\$ (356,003)	\$ (231,488)
Adjustments to reconcile operating (loss) to net cash (used in) operating activities:		
Depreciation	240,131	140,984
Changes in assets and liabilities:		
Decrease in accounts receivable and other receivables	4,906	83
(Increase) in prepaid expenses	-	(2,819)
Increase in accounts payable and other payables	<u>10,409</u>	<u>1,618</u>
Net cash (used in) operating activities	<u>\$ (100,557)</u>	<u>\$ (91,622)</u>

TOWN OF IOWA, LOUISIANA

COMPARATIVE STATEMENTS OF CASH FLOWS
 PROPRIETARY FUND TYPE
 Years Ended June 30, 2000 and 1999
 (Continued)

	<u>2000</u>	<u>1999</u>
SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING ACTIVITIES		
Water line extensions transferred to Water Utility Fund from General Fixed Assets Group of Accounts (acquired in 1999; funded by grant from Louisiana Community Development Block Grant)	\$ 266,322	
Water plant improvements and water line extensions transferred from Sales Tax- Water Improvements Special Revenue Fund	<u>769,943</u>	
Total	<u>\$ 1,036,265</u>	

See accompanying notes to financial statements

TOWN OF IOWA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2000

Note 1. Summary of Significant Accounting Policies

The Town of Iowa, Louisiana was incorporated June 26, 1952, under the provisions of the Lawrason Act. The Town operates under a Mayor-Town Council form of government.

The accounting and reporting policies of the Town of Iowa, Louisiana conform to generally accepted accounting principles as applicable to governments. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statutes 24:517 and to the guidance set forth in the *Louisiana Municipal Audit and Accounting Guide*, and to the industry audit guide, *Audits of State and Local Governmental Units*.

The following is a summary of certain significant accounting policies.

A. Financial Reporting Entity

The accompanying financial statements include the various departments, activities, and organizational units that are within the control and authority of the Mayor and Town Council of the Town of Iowa, Louisiana. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in Statement No. 14 of the Governmental Accounting Standards Board. This statement defines the reporting entity as the primary government and those component units for which the primary government is financially accountable. Financial accountability is defined as appointment of a voting majority of the component unit's board, and either a) the ability to impose will by the primary government, or b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government.

Consistent with this criteria, the Town of Iowa, Louisiana has determined that the Iowa Fire Protection District No. 1 of Calcasieu Parish is a component unit of the Town.

B. Fund Accounting

The accounts of the Town are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate

set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures, or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped, in the financial statements in this report, into three generic fund types and two broad fund categories as follows:

GOVERNMENTAL FUNDS

General Fund - The General Fund is the general operating fund of the Town. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or major capital projects) that are legally restricted to expenditures for specified purposes.

Capital Projects Funds - These funds account for all financial resources segregated for the acquisition or construction of major general government capital projects.

PROPRIETARY FUNDS

Enterprise Funds - Enterprise Funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

ACCOUNT GROUPS

General Fixed Assets - The general fixed assets account group accounts for all fixed assets acquired or constructed for use by the Town, other than those accounted for in the proprietary fund.

General Long-Term Debt - The general long-term debt account group accounts for long-term obligations not recorded in the proprietary fund.

C. Basis of Accounting

Basis of accounting refers to when revenues and expenditures (or expenses) are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

All governmental funds are accounted for using a financial resources measurement focus whereby only current assets and current liabilities generally are included on the balance sheet and increases or decreases in net current assets are presented in the operating statements. These funds utilize the modified accrual basis of accounting. Revenues are recognized when they become both measurable and available to finance expenditures of the current period. Certain revenues such as sales tax, property tax, and charges for services are assessed and collected in such a manner that they can be accrued appropriately. Expenditures are recognized in the accounting period in which the liability is incurred, if measurable, except for principal and interest on general long-term debt which are recognized when due. Also, expenditures for accrued compensated absences are not recognized until they are payable from current available financial resources.

The proprietary fund is accounted for and reported using a flow of economic resources measurement focus. This means that all assets and liabilities associated with the operation of these funds are included on the balance sheet and fund equity consists of contributed capital and retained earnings. The operating statements for the proprietary fund presents increases or decreases in net total assets.

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group, rather than in governmental funds. Assets purchased are recorded as expenditures in the governmental funds and capitalized at cost in the General Fixed Asset Account Group. The Town has elected not to capitalize public domain ("infrastructure") fixed assets consisting of certain improvements including roads, bridges, sidewalks, and drainage improvements. No depreciation has been provided on general fixed assets.

Long-term liabilities expected to be financed from governmental funds are accounted for in the General Long-Term Debt Account Group, not in the governmental funds.

The two account groups are not "funds". They are concerned only with the measurement of financial position. They are not involved with measurement of results of operations.

The Governmental Accounting Standards Board (GASB) Statement Number 20 (effective for financial statements for periods beginning after December 15, 1993) provides guidance on accounting and financial reporting for proprietary fund types and allows proprietary fund types to choose one of two options in applying pronouncements issued by the Financial Accounting Standards Board (FASB) after November 30, 1989. The Town of Iowa has elected to use the first option for reporting its activities. This approach applies all GASB pronouncements and FASB Statements and Interpretations, Accounting Principles Board (APB) Opinions, and Accounting Research Bulletins (ARBs) issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements. Changes to FASB statements and interpretations, APB Opinions and ARBs issued after November 30, 1989, would not apply unless adopted by GASB.

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

D. Budgets and Budgetary Accounting

The Mayor and Town Clerk prepare a proposed budget and submit same to the Town Council prior to the beginning of each fiscal year. The operating budget includes proposed expenditures and the means of financing them.

A summary of the proposed budget is published, a public hearing is held, and the budget is adopted through passage of an ordinance prior to the commencement of the fiscal year for which the budget is adopted.

Any revisions that alter total expenditures of any fund must be approved by the Councilmen. Formal budgetary integration is employed as a management control device during the year for the General and Special Revenue Funds. All budgetary appropriations lapse at the end of each fiscal year.

Budgets for the General and Special Revenue Funds are adopted on a cash basis of accounting. Budgeted amounts are as originally adopted, or as amended by the Town Council.

During the year ended June 30, 2000, budgeted amounts for revenues and other financing sources were decreased approximately \$809,228 and expenditures and other financing uses decreased approximately \$449,890. The major part of these changes is represented by decreases in the appropriations of prior year fund balances and decreases in capital outlay from those amounts originally budgeted.

Encumbrance accounting is not used.

E. Cash, Cash Equivalents and Investments

Cash and cash equivalents include amounts in demand deposits and certificates of deposit. Certificates of deposit are stated at cost.

Louisiana State Statutes, as stipulated in R.S. 39:1271, authorize the Town to invest in United States bonds, treasury notes, or certificates, or time certificates of deposit of state banks organized under the laws of Louisiana and national banks having the principal office in the State of Louisiana. In addition, local governments in Louisiana are authorized to invest in the Louisiana Asset Management Pool, Inc. (LAMP), a nonprofit corporation formed by an initiative of the State Treasurer and organized under the laws of the State of Louisiana, which operates a local government investment pool. Investments are stated at cost.

F. Property Taxes

Property taxes levied in any one year are recognized as revenues of that year.

G. Bad Debts

Uncollectible amounts due for ad valorem taxes and customers' utility receivables are recognized as bad debts through the establishment of an allowance account at the time information becomes available which would indicate the uncollectibility of the receivable.

H. Fixed Assets

All fixed assets are stated at historical cost or estimated historical cost if actual historical cost is not available. Twenty-four thousand nine hundred and twenty-five dollars (\$24,925) of fixed assets in the General Fixed Asset Account Group are stated at estimated historical cost. These costs were estimated based on price levels at the estimated date of acquisition. Donated fixed assets of \$10,300 are recorded at their estimated fair value at time of acquisition.

Depreciation of all exhaustible fixed assets used by the proprietary fund is charged as an expense against operations. Accumulated depreciation is reported on the proprietary fund balance sheet. Depreciation has been provided over the estimated useful lives using the straight line method. The estimated useful lives are as follows:

Plant	10-33 years
Furniture, fixtures and equipment	5-10 years

Depreciation recorded in the proprietary fund on fixed assets acquired with contributed capital from grants externally restricted for capital acquisitions and construction has been closed to contributed capital.

I. Accumulated Unpaid Sick Pay

Accumulated unpaid sick pay was not considered material at June 30, 2000 and is not reflected in these financial statements.

J. Cash Equivalents

For purposes of the statement of cash flows, the Town considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents. During the year the Town had no cash equivalents held by the Enterprise Fund.

K. Comparative Data

Comparative total data for the prior year has been presented in the accompanying financial statements in order to provide an understanding of changes in the Town's financial position and operations. However, comparative (i.e., presentation of prior year totals by fund type) data have not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to read.

L. Total Columns on Combined Statements - Overview

Total columns on the Combined Statements - Overview are captioned Memorandum Only to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or cash flows in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

Note 2. Cash, Cash Equivalents and Investments

In accordance with a fiscal agency agreement which is approved by the Town Council, the Town of Iowa maintains demand and time deposits through local depository banks which are members of the Federal Reserve System.

Deposits in excess of federally insured amounts are required by Louisiana state statute to be protected by collateral of equal market value. Authorized collateral includes general obligations of the U.S. government, obligations issued or guaranteed by an agency established by the U.S. government, general obligation bonds of any state of the U.S., or of any Louisiana parish, municipality, or school district.

The Town's bank demand and time deposits at year end were entirely covered by federal depository insurance or by pledge of securities owned by the financial institution in the Town's name.

The following chart presents bank balances as of June 30, 2000 and 1999. The deposits are listed in terms of risk involved. Category 1 represents those deposits insured (inclusive of FDIC) or collateralized with securities held by the Town or its agent in the Town's name. Category 2 represents deposits collateralized with securities held by the pledging financial institution's trust department or agent in the Town's name. Category 3 represents deposits uncollateralized including any securities held for the entity but not in the Town's name.

	Bank Balances				
	Category			Total Bank	Carrying
June 30, 2000	1	2	3	Balances	Amount
Cash and demand deposits	\$ 300,000	\$ 246,138	\$ -	\$ 546,138	\$ 492,561
Certificates of deposit	<u>125,436</u>	<u>186,431</u>	<u>-</u>	<u>311,867</u>	<u>311,867</u>
Total	<u>\$ 425,436</u>	<u>\$ 432,569</u>	<u>\$ -</u>	<u>\$ 858,005</u>	<u>\$ 804,428</u>

	<u>Bank Balances</u>				
	<u>Category</u>			<u>Total Bank</u>	<u>Carrying</u>
	<u>1</u>	<u>2</u>	<u>3</u>	<u>Balances</u>	<u>Amount</u>
June 30, 1999					
Cash and demand deposits	\$ 200,000	\$ 469,965	\$ -	\$ 669,965	\$ 533,797
Certificates of deposit	<u>-</u>	<u>847,494</u>	<u>-</u>	<u>847,494</u>	<u>847,494</u>
Total	<u>\$ 200,000</u>	<u>\$ 1,317,459</u>	<u>\$ -</u>	<u>\$ 1,517,459</u>	<u>\$ 1,381,291</u>

Investments held at June 30, 2000, consist of \$1,049,030 in the Louisiana Asset Management Pool Inc. (LAMP), a local government investment pool (see Summary of Significant Accounting Policies). Of this amount, \$5,000 was restricted for a construction deposit. LAMP investments at June 30, 1999 totaled \$977,179. In accordance with GASB Codification Section I50.165 the investment in LAMP at June 30, 2000, is not categorized in the three risk categories provided by GASB Codification Section I50.164 because the investment is in the pool of funds and therefore not evidenced by securities that exist in physical or book entry form. LAMP is administered by LAMP Inc., a non-profit corporation organized under the laws of the State of Louisiana, which was formed by an initiative of the State Treasurer in 1993. The corporation is governed by a board of directors comprising the State Treasurer, representatives from various organizations of local government, the Government Finance Officers Association of Louisiana, and the Society of Louisiana CPA's. Only local governments having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term high-quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest. Accordingly, LAMP investments are restricted to securities issued, guaranteed, or backed by the U.S. Treasury, the U.S. Government, or one of its agencies, enterprises, or instrumentalities, as well as repurchase agreements collateralized by those securities. The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days. LAMP is designed to be highly liquid to give its participants immediate access to their account balances.

Note 3. Individual Fund Interfund Receivables and Payables

Individual fund interfund receivables and payables are as follows:

	<u>Receivables</u>	<u>Payables</u>
General Fund	\$ -	\$ 27,443
Sales Tax Fund-Water Improvements	60,146	-
Sales Tax Fund-Streets and Parks	4,599	-
Sales Tax Fund-Streets II	21,040	-
Sales Tax Fund-Sales Tax III	-	59,178
Iowa Fire Protection District No. 1 of Calcasieu Parish	1,187	-
Water Utility Fund	<u>-</u>	<u>351</u>
	<u>\$ 86,972</u>	<u>\$ 86,972</u>

Note 4. Ad Valorem Taxes

For the year ended June 30, 2000, taxes of 5.35 mills were levied by the Town of Iowa on property with assessed valuations totaling \$7,359,730 and were dedicated for general corporate purposes. Taxes of 9.08 mills were levied by the Iowa Fire Protection District No. 1 of Calcasieu Parish on property with assessed valuations totaling \$5,699,070 and were dedicated for the purpose of providing fire protection to the District.

Total taxes levied were \$39,375 and \$51,748, respectively for the Town and the District. Taxes receivable at June 30, 2000 and 1999 consisted of the following:

	<u>2000</u>	<u>1999</u>
Taxes receivable current roll	\$ 836	\$ 872
Taxes receivable prior years	<u>5,234</u>	<u>4,494</u>
	6,070	5,366
Allowance for uncollectible taxes	<u>4,170</u>	<u>4,019</u>
	<u>\$ 1,900</u>	<u>\$ 1,347</u>

Property taxes are levied November 1 and attach as an enforceable lien on property as of April 30.

Note 5. Restricted Assets

Restricted assets were applicable to the following at June 30:

	<u>2000</u>	<u>1999</u>
General Fund:		
Customers deposits-garbage and trash and sewer maintenance services	\$ 17,176	\$ 18,276
Cafeteria plan escrow	337	490
Construction deposit	5,000	50,000
Enterprise Fund:		
Customers deposits-water services	12,479	13,494

Note 6. Changes in Fixed Assets

A summary of changes in general fixed assets follows:

	Balance 7-1-99	Additions	Deletions	Balance 6-30-00
Building	\$ 676,182	\$ -	\$ -	\$ 676,182
Land	134,670	-	-	134,670
Improvements other than buildings	1,636,571	655,573	266,332	2,025,812
Furniture and equipment	445,683	83,181	-	528,864
Vehicles	418,562	800	-	419,362
Construction in progress	<u>475,232</u>	<u>-</u>	<u>475,232</u>	<u>-</u>
	<u>\$ 3,786,900</u>	<u>\$ 739,554</u>	<u>\$ 741,564</u>	<u>\$ 3,784,890</u>

Construction in progress of \$475,232 consisted of water line extensions totaling \$266,332 and sewer line extensions totaling \$208,900. These additions were funded by a grant from the Louisiana Community Development Block Grant. During the current year, the amounts related to water line extensions were transferred to the Water Utility Fund and the sewer line extensions were moved to improvements other than buildings.

A summary of proprietary fund type property, plant and equipment at June 30, 2000 and 1999 follows:

	Enterprise Water Utility Fund	
	2000	1999
Land	\$ 4,002	\$ 4,002
Plant and equipment	3,355,938	2,301,863
Machinery	57,502	57,502
Furniture and fixtures	<u>6,360</u>	<u>6,360</u>
Total	3,423,802	2,369,727
Less accumulated depreciation	<u>1,437,151</u>	<u>1,197,020</u>
Net	<u>\$ 1,986,651</u>	<u>\$ 1,172,707</u>

During the year ended June 30, 2000, water plant improvements and water line relocation and extensions were constructed and these improvements were funded by the Sales Tax Water Improvements Special Revenue fund. The amounts related to these improvements were transferred by the Special Revenue Fund to the Water Utility Fund.

Note 7. Long-Term Debt

In July, 1994, the Town entered into a Joint Services Agreement with the Iowa Fire Protection District No. 1 of Calcasieu parish in connection with the District's purchase of a new pumper fire truck. The District executed a promissory note in the amount of \$85,000 with the Calcasieu Marine National Bank, on June 1, 1995, to obtain the additional amount needed to purchase the fire truck and its equipment.

Long-term debt is comprised of the following:

	Balance <u>6-30-00</u>	Balance <u>6-30-99</u>
Note payable to Calcasieu Marine National Bank in the original amount of \$85,000; dated June 1, 1995; bearing an interest rate of 5% fixed, payable in 5 equal annual installment payments consisting of principal and interest, in the amount of \$14,692.34 each, commencing on June 1, 1996 and continuing on the first day of each successive year thereafter, and one final installment payment consisting of the full amount of principal and interest remaining due on June 1, 2001. This note is secured by security interest in one 1995 Freightline Ferrara commercial pump fire truck and a continuing security interest in all deposits and certificates of deposit of the Iowa Fire Protection District No. 1 of Calcasieu Parish	\$ 8,914	\$ 22,439
Town of Iowa State of Louisiana Certificate of Indebtedness Series 1997 in the original amount of \$1,000,000; dated March 27, 1997; bearing interest at 5.25% fixed, and payable in 20 semi-annual payments beginning September 1, 1997 and ending March 1, 2007. This note is secured by the dedication of the Town's excess revenues above statutory, necessary and usual charges	<u>750,000</u>	<u>839,000</u>
	<u>\$ 758,914</u>	<u>\$ 861,439</u>

Summary of changes in general long-term debt:

	<u>Balance</u> <u>7-1-99</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u> <u>6-30-00</u>
Notes payable	\$ 22,439	\$ -	\$ (13,525)	\$ 8,914
Certificate of indebtedness	<u>839,000</u>	<u>-</u>	<u>(89,000)</u>	<u>750,000</u>
	<u>\$ 861,439</u>	<u>\$ -</u>	<u>\$ (102,525)</u>	<u>\$ 758,914</u>

The annual requirements to amortize all general obligation debt outstanding as of June 30, 2000 including interest of \$164,596, are as follows:

<u>Year Ending</u> <u>June 30,</u>	<u>General</u> <u>Obligation</u>
2001	\$ 140,402
2002	132,545
2003	132,400
2004	131,993
2005 and thereafter	386,170

Note 8. Dedication of Proceeds and Flow of Funds - 2.5% Sales and Use Tax

Proceeds of a 1% sales and use tax levied by the Town of Iowa, Louisiana (2000 collections \$444,514; 1999 \$396,742 are dedicated to the following purposes:

1. 80% of collections to be used for capital and other improvements of the Water Utility Fund.
2. 20% of collections to be used for improvements to the Town's streets and parks.

Proceeds of a 1% sales and use tax levied by the Town of Iowa, Louisiana approved by voters May, 1999 to expire April, 2007 (2000 collections \$444,514; 1999 \$396,742) are dedicated to the following purposes:

1. 65% of collections to be used for street, sidewalk, street lighting maintenance and construction, and sewerage treatment facilities maintenance and construction.
2. 35% of collections to be used for general administrative and general fund needs.

Proceeds of a 1/2% sales and use tax levied by the Town of Iowa, Louisiana approved by voters to begin July 1, 1992, for a period of ten years (2000 collections \$222,258; 1999 \$198,371) are dedicated to the following purposes:

1. Flood control maintenance and flood control purposes.
2. Economic development activities.
3. Capital improvements and maintenance to the Town Hall and Town Park.

Note 9. Retirement Commitments

Municipal Police Employee's Retirement System

Plan description:

The Town of Iowa contributes to the Municipal Police Employees' Retirement System, a cost-sharing multiple-employer plan administered by the Municipal and State Police Employee's Retirement System of Louisiana. The Municipal Police Employees' Retirement System was established as of July 1, 1973, by Act 189 of the 1973 and amended by RS 33:2371 of the 1986 session to become Municipal and State Police Retirement System of Louisiana. The system is a state retirement system which was created to provide retirement benefits for full time municipal police officers in Louisiana, and state police officers hired after January 1, 1987. The System is administered by a Board of Trustees of the Retirement Committee of the House of Representatives and the Chairman of the Senate Finance Committee, or their designees, to serve as voting ex-officio members of the Board. Historical trend information for this plan is included in the separately issued report for the Municipal Police Employee's Retirement System for the period ended June 30, 1999.

Funding policy:

Plan members are required to contribute 7.5% of their annual covered salary and the Town of Iowa is required to contribute at a statutorily determined rate. The current rate is 9% of annual covered payroll. The contribution requirements of plan members and the Town of Iowa are established and may be amended by the Board of Trustees. The Town of Iowa's contributions to the Municipal Police Employees' Retirement System for the years ending June 30, 2000, 1999, and 1998 were \$5,977, \$13,316, and \$16,767, respectively, equal to the required contributions for each year.

Note 10. Excess of Expenditures Over Appropriations

Expenditures and other financing uses for the current year exceeded appropriations for the following funds:

	<u>Budget</u>	<u>Actual</u>	Variance (Unfavorable)
Special Revenue Funds:			
Sales Tax Fund-Parks and Streets	\$ 96,855	\$ 103,170	\$ (6,315)
Sales Tax Fund-Streets II	279,845	291,499	(11,654)
General Fund	840,932	869,472	(28,540)

Note 11. Compensation of Mayor and Members of the Town Council

Salaries paid to the Mayor and council members during the year are as follows:

Lawrence Toups, Jr., Mayor	\$ 10,100
Calvin Caesar	2,100
Gerald Guidry	2,100
Dwayne O'Brien	2,100
Carol Ponthieux	2,100
Amanda Racca	2,100

The Board members of the Iowa Fire Protection District No. 1 of Calcasieu Parish received no compensation during the year ended June 30, 2000.

Note 12. Budgetary - GAAP Reporting Reconciliation

The accompanying Combined Statement of Revenues, Expenditures, and Changes in Fund Balances-Budget and Actual (Budget Basis)-Governmental Fund Types presents comparisons of the legally adopted budget (more fully described in Note 1) with actual data on a budgetary basis. Because the accounting principles (cash basis) applied for purposes of developing data on a budgetary basis differ significantly from those used to present financial statements in conformity with generally accepted accounting principles (GAAP), reconciliations of resultant basis and perspective differences in net income for the year ended June 30, 2000 are presented on the budgetary comparison statement.

**FINANCIAL STATEMENTS OF INDIVIDUAL FUNDS
AND ACCOUNT GROUPS**

GENERAL FUND

To account for resources traditionally associated with governments which are not required to be accounted for in another fund. The Garbage and Trash and Sewer Maintenance funds are accounted for in this fund.

TOWN OF IOWA, LOUISIANA
GENERAL FUND

COMPARATIVE BALANCE SHEETS
June 30, 2000 and 1999

<u>ASSETS</u>	<u>2000</u>	<u>1999</u>
Cash	\$ 95,810	\$ 95,709
Investments	121,584	125,387
Receivables:		
Ad valorem taxes (net of allowance for uncollectible taxes 2000 \$4,170; 1999 \$4,019)	1,826	1,317
Accounts (net of allowance for uncollectible amounts 2000 \$6,136; 1999 \$6,868)	56,202	25,345
Restricted assets:		
Customers' deposits-cash	17,176	18,276
Cafeteria plan-cash	337	490
Construction deposit	<u>5,000</u>	<u>50,000</u>
Total assets	<u>\$ 297,935</u>	<u>\$ 316,524</u>
 <u>LIABILITIES AND FUND EQUITY</u>		
Liabilities:		
Accounts payable	\$ 39,942	\$ 12,694
Due to other funds	27,443	27,141
Accrued interest	13,125	38,780
Payable from restricted assets:		
Customer's deposits	17,176	18,276
Cafeteria plan escrow	637	789
Construction deposit payable	5,000	50,000
Other payables	<u>6,135</u>	<u>1,027</u>
Total liabilities	109,458	148,707
Fund balance:		
Unreserved-undesignated	<u>188,477</u>	<u>167,817</u>
Total liabilities and fund equity	<u>\$ 297,935</u>	<u>\$ 316,524</u>

TOWN OF IOWA, LOUISIANA
GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL (BUDGET BASIS)
Year Ended June 30, 2000

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues:			
Taxes	\$ 324,668	\$ 328,164	\$ 3,496
Licenses and permits	106,466	108,614	2,148
Intergovernmental	-	1,500	1,500
Charges for services	249,217	254,472	5,255
Fines and forfeits	28,625	28,624	(1)
Interest earned	10,009	11,079	1,070
Contributions received	-	500	500
Grants received	11,242	11,242	-
Miscellaneous	<u>20,445</u>	<u>17,750</u>	<u>(2,695)</u>
Total revenues	<u>750,672</u>	<u>761,945</u>	<u>11,273</u>
Expenditures:			
Current:			
General government	179,599	177,791	1,808
Public safety	342,929	344,601	(1,672)
Highways and streets	18,356	20,143	(1,787)
Sanitation	181,578	208,467	(26,889)
Debt service:			
Principal retirements	89,000	89,000	-
Interest paid	<u>29,470</u>	<u>29,470</u>	<u>-</u>
Total expenditures	<u>840,932</u>	<u>869,472</u>	<u>(28,540)</u>
Excess (deficiency) of revenues over expenditures (budget basis)	(90,260)	(107,527)	(17,267)
Other financing sources (uses):			
Operating transfers in	<u>110,292</u>	<u>110,292</u>	<u>-</u>
Excess of revenues and other financing sources over expenditures and other uses (budget basis)	<u>\$ 20,032</u>	<u>2,765</u>	<u>\$ (17,267)</u>
Adjustments: (Note 13)			
Accrued revenue		27,944	
Accrued expenditures		<u>(10,049)</u>	
Total adjustments (budget to GAAP basis)		<u>17,895</u>	
Excess (deficiency) of revenues and other financing sources over expenditures and other uses (GAAP basis)		20,660	
Fund balance at beginning of year		<u>167,817</u>	
Fund balance at end of year		<u>\$ 188,477</u>	

TOWN OF IOWA, LOUISIANA
GENERAL FUND

STATEMENT OF EXPENDITURES COMPARED TO BUDGET (BUDGET BASIS)
Year Ended June 30, 2000

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
General government:			
Mayor's and aldermen's salaries	\$ 20,425	\$ 20,600	\$ (175)
Other salaries	41,435	41,632	(197)
Payroll taxes	5,500	5,213	287
Advertising	154	211	(57)
Audit and accounting	13,760	13,760	-
Dues and subscriptions	2,705	2,790	(85)
Insurance	14,113	14,460	(347)
Legal and other services	10,163	10,053	110
Miscellaneous	27,148	28,023	(875)
Repairs and maintenance	1,733	1,837	(104)
Supplies	8,244	9,777	(1,533)
Senior citizen center	626	703	(77)
Telephone and utilities	11,473	11,964	(491)
Travel	8,800	8,999	(199)
Uniforms	300	290	10
Capital outlay	<u>13,020</u>	<u>7,479</u>	<u>5,541</u>
Total general government	<u>179,599</u>	<u>177,791</u>	<u>1,808</u>
Public safety:			
Police:			
Salaries	213,760	213,845	(85)
Payroll taxes	16,750	17,309	(559)
Auto expense	19,887	20,289	(402)
Dues and subscriptions	712	712	-
Insurance	34,067	36,370	(2,303)
Miscellaneous	5,406	6,957	(1,551)
Repairs	2,184	2,668	(484)
Retirement expense	9,715	6,683	3,032
Supplies	3,671	9,404	(5,733)
Telephone	3,134	3,415	(281)
Uniforms	3,228	3,228	-
Capital outlay	<u>27,024</u>	<u>19,330</u>	<u>7,694</u>
Total police	<u>339,538</u>	<u>340,210</u>	<u>(672)</u>
Fire:			
Volunteer firemen	2,247	3,246	(999)
Miscellaneous	<u>1,144</u>	<u>1,145</u>	<u>(1)</u>
Total fire	<u>3,391</u>	<u>4,391</u>	<u>(1,000)</u>
Total public safety	<u>342,929</u>	<u>344,601</u>	<u>(1,672)</u>
Highways and streets:			
Streets and lights	<u>18,356</u>	<u>20,143</u>	<u>(1,787)</u>

(continued on next page)

TOWN OF IOWA, LOUISIANA
GENERAL FUND

STATEMENT OF EXPENDITURES, COMPARED TO BUDGET (BUDGET BASIS)
Year Ended June 30, 2000
(Continued)

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Sanitation:			
Garbage and trash:			
Dumping fees and collection fees	<u>100,050</u>	<u>114,701</u>	<u>(14,651)</u>
Sewer maintenance:			
Capital outlay	3,090	3,706	(616)
Insurance	1,060	1,060	-
Legal and other services	28,495	33,585	(5,090)
Miscellaneous	1,663	1,851	(188)
Repairs	5,138	5,137	1
Sewer expenses	6,776	9,826	(3,050)
Supplies	10,895	12,232	(1,337)
Telephone and utilities	<u>24,411</u>	<u>26,369</u>	<u>(1,958)</u>
Total sewer maintenance	<u>81,528</u>	<u>93,766</u>	<u>(12,238)</u>
Total sanitation	<u>181,578</u>	<u>208,467</u>	<u>(26,889)</u>
Debt service:			
Principal retirements	89,000	89,000	-
Interest paid	<u>29,470</u>	<u>29,470</u>	<u>-</u>
Total debt service	<u>118,470</u>	<u>118,470</u>	<u>-</u>
	<u>\$ 840,932</u>	<u>\$ 869,472</u>	<u>\$ (28,540)</u>

SPECIAL REVENUE FUNDS

SALES TAX FUND-WATER IMPROVEMENTS - to account for 80% of a one percent sales tax to be used for capital and other improvements of the Water Utility Fund.

SALES TAX FUND-STREETS AND PARKS - to account for 20% of a one percent sales tax to be used for improvements to the Town's streets and parks.

SALES TAX FUND-STREETS II - to account for 65% of a one percent sales tax to be used for street, sidewalk, and street lighting maintenance and construction.

SALES TAX FUND-SALES TAX III - to account for a one-half of one percent sales tax to be used for (1) flood control maintenance and flood control improvements, (2) economic development activities, and (3) capital improvements and maintenance to the Town Hall and Town Park situated in the Town of Iowa, Louisiana.

LCDBG HOUSING REHABILITATION - to account for the expenditures of the Louisiana Community Development Block Grant funds for the rehabilitation of substandard homes owned and occupied by individuals meeting certain predefined criteria.

IOWA FIRE PROTECTION DISTRICT NO. 1 OF CALCASIEU PARISH - to account for the operations of the District, a component unit of the Town of Iowa. The District is authorized to provide fire prevention and control within its District limits. It owns and operates one fire station and all fire prevention and protection services are provided by volunteers.

TOWN OF IOWA, LOUISIANA
SPECIAL REVENUE FUNDS

COMBINING BALANCE SHEET
June 30, 2000
With Comparative Totals for June 30, 1999

	<u>Sales Tax Fund</u>		
<u>ASSETS</u>	<u>Water Improvements</u>	<u>Streets and Parks</u>	<u>Streets II</u>
Cash	\$ 142,466	\$ 62,540	\$ 29,272
Certificate of deposit	-	6,139	25,436
Investments	560,918	22,546	129,317
Grant receivable	-	-	-
Intergovernmental receivable	-	-	-
Taxes receivable	-	-	-
Due from other funds	<u>60,146</u>	<u>4,599</u>	<u>21,040</u>
Total assets	<u>\$ 763,530</u>	<u>\$ 95,824</u>	<u>\$ 205,065</u>
 <u>LIABILITIES AND FUND EQUITY</u>			
Liabilities:			
Accounts payable	\$ 8,147	\$ 6,589	\$ 16,009
Due to other funds	-	-	-
Other payables	<u>-</u>	<u>71</u>	<u>71</u>
Total liabilities	8,147	6,660	16,080
Fund balances:			
Unreserved-undesignated	<u>755,383</u>	<u>89,164</u>	<u>188,985</u>
Total liabilities and fund equity	<u>\$ 763,530</u>	<u>\$ 95,824</u>	<u>\$ 205,065</u>

Sales Tax III	CDBG Housing Rehabilitation	Fire Protection District	Totals	
			2000	1999
\$ 26,242	\$ 1	\$ 66,459	\$ 326,980	\$ 353,501
130,973	-	27,747	190,295	732,298
209,665	-	-	922,446	801,792
10,040	15,020	5,132	30,192	38,589
-	-	7,087	7,087	6,054
-	-	74	74	30
-	-	1,187	86,972	96,957
<u>\$ 376,920</u>	<u>\$ 15,021</u>	<u>\$ 107,686</u>	<u>\$ 1,564,046</u>	<u>\$ 2,029,221</u>
\$ 23,591	\$ 15,020	\$ 4,469	\$ 73,825	\$ 31,542
59,178	-	-	59,178	62,388
-	-	1,065	1,207	-
82,769	15,020	5,534	134,210	93,930
<u>294,151</u>	<u>1</u>	<u>102,152</u>	<u>1,429,836</u>	<u>1,935,291</u>
<u>\$ 376,920</u>	<u>\$ 15,021</u>	<u>\$ 107,686</u>	<u>\$ 1,564,046</u>	<u>\$ 2,029,221</u>

TOWN OF IOWA, LOUISIANA
SPECIAL REVENUE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
Year Ended June 30, 2000
With Comparative Totals for Year Ended June 30, 1999

	<u>Sales Tax Fund</u>		
	<u>Water Improvements</u>	<u>Streets and Parks</u>	<u>Streets II</u>
Revenues:			
Taxes	\$ 355,267	\$ 88,943	\$ 289,066
Intergovernmental	-	-	-
Interest earned	43,671	2,206	8,927
Fire insurance	-	-	-
Grants received	-	29,576	-
Contributions received	-	1,000	-
Miscellaneous	-	6,766	-
Total revenues	<u>398,938</u>	<u>128,491</u>	<u>297,993</u>
Expenditures:			
Current:			
General government	-	-	-
Highway and streets	-	-	197,405
Culture and recreation	-	103,205	-
Fire protection district	-	-	-
Housing rehabilitation expenditures	-	-	-
Other services and charges	779,791	-	-
Debt service:			
Principal retirements	-	-	-
Interest expense	-	-	-
Total expenditures	<u>779,791</u>	<u>103,205</u>	<u>197,405</u>
Excess (deficiency) of revenues over expenditures	(380,853)	25,286	100,588
Other financing sources (uses):			
Operating transfers out	<u>(88,836)</u>	<u>-</u>	<u>(95,292)</u>
Excess (deficiency) of revenues over expenditures and other uses	(469,689)	25,286	5,296
Fund balances at beginning of year	<u>1,225,072</u>	<u>63,878</u>	<u>183,689</u>
Fund balances at end of year	<u>\$ 755,383</u>	<u>\$ 89,164</u>	<u>\$ 188,985</u>

<u>Sales Tax III</u>	<u>CDBG Housing Rehabilitation</u>	<u>Fire Protection District</u>	<u>Totals</u>	
			<u>2000</u>	<u>1999</u>
\$ 222,359	\$ -	\$ 50,442	\$ 1,006,077	\$ 902,216
-	-	2,891	2,891	2,891
21,124	-	3,818	79,746	72,680
-	-	6,123	6,123	6,053
113,735	150,034	6,191	299,536	52,418
-	-	-	1,000	-
-	-	376	7,142	4,316
<u>357,218</u>	<u>150,034</u>	<u>69,841</u>	<u>1,402,515</u>	<u>1,040,574</u>
394,676	-	-	394,676	35,597
-	-	-	197,405	208,037
-	-	-	103,205	82,792
-	-	45,094	45,094	72,892
-	150,034	-	150,034	36
23,945	-	-	803,736	40,671
-	-	13,525	13,525	12,678
-	-	1,167	1,167	2,085
<u>418,621</u>	<u>150,034</u>	<u>59,786</u>	<u>1,708,842</u>	<u>454,788</u>
(61,403)	-	10,055	(306,327)	585,786
<u>(15,000)</u>	<u>-</u>	<u>-</u>	<u>(199,128)</u>	<u>(320,674)</u>
(76,403)	-	10,055	(505,455)	265,112
<u>370,554</u>	<u>1</u>	<u>92,097</u>	<u>1,935,291</u>	<u>1,670,179</u>
<u>\$ 294,151</u>	<u>\$ 1</u>	<u>\$ 102,152</u>	<u>\$ 1,429,836</u>	<u>\$ 1,935,291</u>

TOWN OF IOWA, LOUISIANA
SALES TAX FUND-WATER IMPROVEMENTS

COMPARATIVE BALANCE SHEETS
June 30, 2000 and 1999

<u>ASSETS</u>	<u>2000</u>	<u>1999</u>
Cash	\$ 142,466	\$ 172,429
Certificates of deposit	-	550,431
Investments	560,918	433,084
Due from other funds	<u>60,146</u>	<u>71,060</u>
Total assets	<u>\$ 763,530</u>	<u>\$ 1,227,004</u>
 <u>LIABILITIES AND FUND EQUITY</u>		
Liabilities:		
Accounts payable	\$ 8,147	\$ 1,932
Fund balances:		
Unreserved-undesignated	<u>755,383</u>	<u>1,225,072</u>
Total liabilities and fund equity	<u>\$ 763,530</u>	<u>\$ 1,227,004</u>

TOWN OF IOWA, LOUISIANA
SALES TAX FUND-WATER IMPROVEMENTS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (BUDGET BASIS)
Year Ended June 30, 2000

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues:			
Sales tax	\$ 369,668	\$ 358,834	\$ (10,834)
Interest earned	<u>40,379</u>	<u>43,671</u>	<u>3,292</u>
Total revenues	<u>410,047</u>	<u>402,505</u>	<u>(7,542)</u>
Expenditures:			
Current:			
Other services and charges:			
Sales tax collection fees	5,177	4,599	578
Other services and charges	5,307	669	4,638
Capital outlay	<u>767,295</u>	<u>769,943</u>	<u>(2,648)</u>
Total expenditures	<u>777,779</u>	<u>775,211</u>	<u>2,568</u>
Excess of revenues over expenditures (budget basis)	<u>(367,732)</u>	<u>(372,706)</u>	<u>(4,974)</u>
Other financing sources (uses):			
Operating transfers in (out)	(88,836)	(88,836)	-
Appropriation of prior year fund balance	<u>456,568</u>	<u>-</u>	<u>(456,568)</u>
Total other financing sources (uses)	<u>367,732</u>	<u>(88,836)</u>	<u>(456,568)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other uses (budget basis)	<u>\$ -</u>	<u>(461,542)</u>	<u>\$ (461,542)</u>
Adjustments: (Note 12)			
Accrued expenditures		<u>(8,147)</u>	
Excess (deficiency) of revenues and other financing sources over expenditures and other uses (GAAP basis)		(469,689)	
Fund balance at beginning of year		<u>1,225,072</u>	
Fund balance at end of year		<u>\$ 755,383</u>	

TOWN OF IOWA, LOUISIANA
SALES TAX FUND-STREETS AND PARKS

COMPARATIVE BALANCE SHEETS
June 30, 2000 and 1999

<u>ASSETS</u>	<u>2000</u>	<u>1999</u>
Cash	\$ 62,540	\$ 41,383
Certificate of deposit	6,139	5,859
Grant receivable	22,546	26,606
Due from other funds	<u>4,599</u>	<u>5,783</u>
Total assets	<u>\$ 95,824</u>	<u>\$ 79,631</u>
 <u>LIABILITIES AND FUND EQUITY</u>		
Liabilities:		
Accounts payable	\$ 6,589	\$ 15,753
Other payables	<u>71</u>	<u>-</u>
Total liabilities	6,660	15,753
Fund balance:		
Unreserved-undesignated	<u>89,164</u>	<u>63,878</u>
Total liabilities and fund equity	<u>\$ 95,824</u>	<u>\$ 79,631</u>

TOWN OF IOWA, LOUISIANA
SALES TAX FUND-STREETS AND PARKS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (BUDGET BASIS)
Year Ended June 30, 2000

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues:			
Sales tax	\$ 88,550	\$ 89,835	\$ 1,285
Interest earned	1,380	2,206	826
Grants received	7,030	7,030	-
Miscellaneous	<u>6,495</u>	<u>7,765</u>	<u>1,270</u>
Total revenues	<u>103,455</u>	<u>106,836</u>	<u>3,381</u>
Expenditures:			
Current:			
Cultural and recreational-parks:			
Park improvements and maintenance	1,880	6,438	(4,558)
Salaries	26,104	26,797	(693)
Payroll taxes	1,975	1,970	5
Utilities	7,395	8,417	(1,022)
Other services and charges	12,636	13,310	(674)
Capital outlay	<u>46,865</u>	<u>46,238</u>	<u>627</u>
Total expenditures	<u>96,855</u>	<u>103,170</u>	<u>(6,315)</u>
Excess (deficiency) of revenues over expenditures (budget basis)	<u>\$ 6,600</u>	3,666	<u>\$ (2,934)</u>
Adjustments: (Note 12)			
Accrued revenues		<u>21,620</u>	
Excess of revenues over expenditures (GAAP basis)		25,286	
Fund balance at beginning of year		<u>63,878</u>	
Fund balance at end of year		<u>\$ 89,164</u>	

TOWN OF IOWA, LOUISIANA
SALES TAX FUND-STREETS II

COMPARATIVE BALANCE SHEETS
June 30, 2000 and 1999

<u>ASSETS</u>	<u>2000</u>	<u>1999</u>
Cash	\$ 29,272	\$ 17,685
Certificate of deposit	25,436	24,633
Investments	129,317	122,455
Due from other funds	<u>21,040</u>	<u>18,927</u>
Total assets	<u>\$ 205,065</u>	<u>\$ 183,700</u>
 <u>LIABILITIES AND FUND EQUITY</u>		
Liabilities:		
Accounts payable	\$ 16,009	\$ -
Other payables	<u>71</u>	<u>11</u>
Total liabilities	16,080	11
Fund balance:		
Unreserved-undesignated	<u>188,985</u>	<u>183,689</u>
Total liabilities and fund equity	<u>\$ 205,065</u>	<u>\$ 183,700</u>

TOWN OF IOWA, LOUISIANA
SALES TAX FUND-STREETS II

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (BUDGET BASIS)
Year Ended June 30, 2000

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues:			
Sales tax	\$ 287,800	\$ 291,965	\$ 4,165
Interest earned	<u>8,100</u>	<u>8,928</u>	<u>828</u>
Total revenues	<u>295,900</u>	<u>300,893</u>	<u>4,993</u>
Expenditures:			
Current:			
Highways and streets:			
Salaries	35,000	35,257	(257)
Payroll taxes	2,695	2,686	9
Insurance	3,100	3,222	(122)
Street repairs	39,850	50,033	(10,183)
Supplies	8,498	8,338	160
Drainage	78,200	78,263	(63)
Other services and charges	6,810	7,369	(559)
Repairs and maintenance	3,900	4,549	(649)
Capital outlay	<u>6,500</u>	<u>6,490</u>	<u>10</u>
Total expenditures	<u>184,553</u>	<u>196,207</u>	<u>(11,654)</u>
Excess of revenues over expenditures (budget basis)	111,347	104,686	(6,661)
Other financing sources (uses):			
Operating transfers out	<u>(95,292)</u>	<u>(95,292)</u>	<u>-</u>
Excess of revenues and other financing sources over expenditures and other uses (budget basis)	<u>\$ 16,055</u>	<u>9,394</u>	<u>\$ (6,661)</u>
Adjustments: (Note 12)			
Accrued revenues		(2,898)	
Accrued expenditures		<u>(1,200)</u>	
Total adjustments		<u>(4,098)</u>	
Excess of revenues over expenditures (GAAP basis)		5,296	
Fund balance at beginning of year		<u>183,689</u>	
Fund balance at end of year		<u>\$ 188,985</u>	

TOWN OF IOWA, LOUISIANA
SALES TAX FUND-SALES TAX III

COMPARATIVE BALANCE SHEETS
June 30, 2000 and 1999

<u>ASSETS</u>	<u>2000</u>	<u>1999</u>
Cash	\$ 26,242	\$ 61,785
Certificates of deposit	130,973	124,904
Investments	209,665	246,253
Grants receivable	<u>10,040</u>	<u>-</u>
Total assets	<u>\$ 376,920</u>	<u>\$ 432,942</u>
 <u>LIABILITIES AND FUND EQUITY</u>		
Liabilities:		
Accounts payable	\$ 23,591	\$ -
Due to other funds	<u>59,178</u>	<u>62,388</u>
Total liabilities	82,769	62,388
Fund balance:		
Unreserved-undesignated	<u>294,151</u>	<u>370,554</u>
Total liabilities and fund equity	<u>\$ 376,920</u>	<u>\$ 432,942</u>

TOWN OF IOWA, LOUISIANA
SALES TAX FUND-SALES TAX III

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (BUDGET BASIS)
Year Ended June 30, 2000

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues:			
Sales tax	\$ 221,380	\$ 224,588	\$ 3,208
Interest earned	19,800	21,124	1,324
Grants received	<u>103,695</u>	<u>103,695</u>	-
Total revenues	<u>344,875</u>	<u>349,407</u>	<u>4,532</u>
Expenditures:			
Current:			
Government:			
Flood control	229,840	229,839	1
Other services and charges	42,885	23,945	18,940
Capital outlay	<u>135,150</u>	<u>143,475</u>	<u>(8,325)</u>
Total expenditures	<u>407,875</u>	<u>397,259</u>	<u>10,616</u>
Excess of revenues over expenditures	<u>(63,000)</u>	<u>(47,852)</u>	<u>15,148</u>
Other financing sources (uses):			
Operating transfers out	(5,000)	(15,000)	(10,000)
Appropriation of prior year fund balance	<u>68,000</u>	<u>-</u>	<u>(68,000)</u>
Total other financing sources (uses)	<u>63,000</u>	<u>(15,000)</u>	<u>(78,000)</u>
Excess of revenues and other financing sources over expenditures and other uses (budget basis)	<u>\$ -</u>	<u>(62,852)</u>	<u>\$ (62,852)</u>
Adjustments: (Note 12)			
Accrued revenues		7,811	
Accrued expenditures		<u>(21,362)</u>	
Total adjustments		<u>(13,551)</u>	
Excess (deficiency) of revenues over expenditures (GAAP basis)		(76,403)	
Fund balance at beginning of year		<u>370,554</u>	
Fund balance at end of year		<u>\$ 294,151</u>	

TOWN OF IOWA, LOUISIANA
LCDBG HOUSING REHABILITATION FUND

COMPARATIVE BALANCE SHEETS
June 30, 2000 and 1999

<u>ASSETS</u>	<u>2000</u>	<u>1999</u>
Cash	\$ 1	\$ 1
Grants receivable	<u>15,020</u>	<u>-</u>
Total assets	<u>\$ 15,021</u>	<u>\$ 1</u>
 <u>LIABILITIES AND FUND EQUITY</u>		
Liabilities:		
Accounts payable	\$ 15,020	\$ -
Fund balance	<u>1</u>	<u>1</u>
Total liabilities and fund equity	<u>\$ 15,021</u>	<u>\$ 1</u>

TOWN OF IOWA, LOUISIANA
LCDBG HOUSING REHABILITATION FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (BUDGET BASIS)
Year Ended June 30, 2000

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues	\$ 135,015	\$ 135,015	\$ -
Expenditures:			
Current:			
Housing rehabilitation	<u>135,015</u>	<u>135,015</u>	<u>-</u>
Excess of revenues and other financing sources over expenditures and other uses (budget basis)	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Adjustments: (Note 12)			
Accrued revenues		15,020	
Accrued expenditures		<u>(15,020)</u>	
Excess of revenues over expenditures (GAAP basis)		-	
Fund balance at beginning of year		<u>1</u>	
Fund balance at end of year		<u>\$ 1</u>	

TOWN OF IOWA, LOUISIANA
IOWA FIRE PROTECTION DISTRICT NO. 1 OF CALCASIEU PARISH

COMPARATIVE BALANCE SHEETS
June 30, 2000 and 1999

<u>ASSETS</u>	<u>2000</u>	<u>1999</u>
Cash	\$ 66,459	\$ 60,218
Certificates of deposit	27,747	26,471
Intergovernmental receivable	7,087	6,054
Grant receivable	5,132	11,983
Taxes receivable	74	30
Due from other funds	<u>1,187</u>	<u>1,187</u>
Total assets	<u>\$ 107,686</u>	<u>\$ 105,943</u>
 <u>LIABILITIES AND FUND EQUITY</u>		
Liabilities:		
Accounts payable	\$ 4,469	\$ 12,781
Other payables	<u>1,065</u>	<u>1,065</u>
Total liabilities	5,534	13,846
Fund balance:		
Unreserved-undesignated	<u>102,152</u>	<u>92,097</u>
Total liabilities and fund equity	<u>\$ 107,686</u>	<u>\$ 105,943</u>

TOWN OF IOWA, LOUISIANA
IOWA FIRE PROTECTION DISTRICT NO. 1 OF CALCASIEU PARISH

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (BUDGET BASIS)
Year Ended June 30, 2000

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues:			
Property tax	\$ 50,000	\$ 50,472	\$ 472
Intergovernmental	3,000	1,927	(1,073)
Interest earned	3,000	3,819	819
Fire insurance	6,054	315	(5,739)
Grant received	13,059	13,042	(17)
Miscellaneous	400	376	(24)
Total revenues	<u>75,513</u>	<u>69,951</u>	<u>(5,562)</u>
Expenditures:			
Current:			
Fireman training	3,000	849	2,151
Fire drills	1,600	368	1,232
Insurance	9,000	7,074	1,926
Supplies	800	831	(31)
Utilities	3,500	3,007	493
Other services and charges	37,725	15,494	22,231
Repairs and maintenance	5,000	3,688	1,312
Capital outlay	-	13,783	(13,783)
Debt service:			
Principal retirements	15,000	13,525	1,475
Interest expense	-	1,167	(1,167)
Total expenditures	<u>75,625</u>	<u>59,786</u>	<u>15,839</u>
Excess (deficiency) of revenues over expenditures	(112)	10,165	10,277
Other financing sources (uses):			
Appropriation of prior year fund balance	<u>112</u>	<u>-</u>	<u>(112)</u>
Excess of revenues and other financing sources over expenditures and other uses (budget basis)	<u>\$ -</u>	10,165	<u>\$ 10,165</u>
Adjustments: (Note 12)			
Accrued revenues		<u>(110)</u>	
Excess of revenues and other financing sources over expenditures and other uses (GAAP basis)		10,055	
Fund balance at beginning of year		<u>92,097</u>	
Fund balance at end of year		<u>\$ 102,152</u>	

CAPITAL PROJECTS FUNDS

SEWER IMPROVEMENT PROJECT - to account for monies to be used for the improvement and upgrade of the Town's sewer plant.

SEWER AND WATER LINE EXTENSION PROJECT - to account for monies to be used for the extension of the Town's sewer and water lines.

TOWN OF IOWA, LOUISIANA
CAPITAL PROJECTS FUNDS

COMBINING BALANCE SHEET
June 30, 2000
With Comparative Totals for June 30, 1999

<u>ASSETS</u>	<u>Sewer Improvement Project</u>	<u>Sewer and Water Line Extension Project</u>	<u>Totals</u>	
			<u>2000</u>	<u>1999</u>
Cash	\$ 1	\$ -	\$ 1	\$ 1
Certificates of deposit	121,572	-	121,572	115,196
Grants receivable	<u>-</u>	<u>3,931</u>	<u>3,931</u>	<u>98,103</u>
Total assets	<u>\$ 121,573</u>	<u>\$ 3,931</u>	<u>\$ 125,504</u>	<u>\$ 213,300</u>
 <u>LIABILITIES AND FUND EQUITY</u>				
Liabilities:				
Accounts payable	\$ -	\$ 3,931	\$ 3,931	\$ 98,103
Fund equity:				
Unreserved-undesignated (deficit)	<u>121,573</u>	<u>-</u>	<u>121,573</u>	<u>115,197</u>
Total liabilities and fund equity	<u>\$ 121,573</u>	<u>\$ 3,931</u>	<u>\$ 125,504</u>	<u>\$ 213,300</u>

TOWN OF IOWA, LOUISIANA
CAPITAL PROJECTS FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
Year Ended June 30, 2000
With Comparative Totals for Year Ended June 30, 1999

	Sewer Improvement Project	Sewer and Water Line Extension Project	<u>Totals</u>	
			<u>2000</u>	<u>1999</u>
Revenues:				
Grants received	\$ -	\$ 63,319	\$ 63,319	\$ 488,108
Interest earned	<u>6,376</u>	<u>-</u>	<u>6,376</u>	<u>4,827</u>
Total revenues	6,376	63,319	69,695	492,935
Expenditures:				
Sewer and water line extension expenditures	<u>-</u>	<u>63,319</u>	<u>63,319</u>	<u>488,108</u>
Excess of revenues over expenditures	6,376	-	6,376	4,827
Fund balance at beginning of year	<u>115,197</u>	<u>-</u>	<u>115,197</u>	<u>110,370</u>
Fund balance at end of year	<u>\$ 121,573</u>	<u>\$ -</u>	<u>\$ 121,573</u>	<u>\$ 115,197</u>

TOWN OF IOWA, LOUISIANA
CAPITAL PROJECTS FUND-SEWER IMPROVEMENT PROJECT

BALANCE SHEET
June 30, 2000

ASSETS	<u>2000</u>	<u>1999</u>
Cash	\$ 1	\$ 1
Certificate of deposit	<u>121,572</u>	<u>115,196</u>
	<u>\$ 121,573</u>	<u>\$ 115,197</u>
 <u>LIABILITIES AND FUND EQUITY</u>		
Liabilities	\$ -	\$ -
Fund equity:		
Reserved for sewer plant upgrade	<u>121,573</u>	<u>115,197</u>
Total liabilities and fund equity	<u>\$ 121,573</u>	<u>\$ 115,197</u>

TOWN OF IOWA, LOUISIANA
CAPITAL PROJECTS FUND-SEWER IMPROVEMENT PROJECT

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
Year Ended June 30, 2000

	<u>2000</u>	<u>1999</u>
Revenues:		
Interest earned	\$ 6,376	\$ 4,827
Expenditures	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	6,376	4,827
Fund balance at beginning of year	<u>115,197</u>	<u>110,370</u>
Fund balance at end of year	<u>\$ 121,573</u>	<u>\$ 115,197</u>

TOWN OF IOWA, LOUISIANA
CAPITAL PROJECTS FUND-SEWER AND WATER LINE EXTENSION PROJECT

BALANCE SHEET
June 30, 2000

ASSETS	<u>2000</u>	<u>1999</u>
Grant receivable	<u>\$ 3,931</u>	<u>\$ 98,103</u>
 <u>LIABILITIES AND FUND EQUITY</u>		
Liabilities		
Accounts payable	\$ 3,931	\$ 98,103
Fund equity	<u>-</u>	<u>-</u>
Total liabilities and fund equity	<u>\$ 3,931</u>	<u>\$ 98,103</u>

TOWN OF IOWA, LOUISIANA
CAPITAL PROJECTS FUND-SEWER AND WATER LINE EXTENSION PROJECT

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
Year Ended June 30, 2000

	<u>2000</u>	<u>1999</u>
Revenues:		
Grants received	\$ <u>63,319</u>	\$ <u>488,108</u>
Expenditures:		
Construction expenditures-sewer	24,165	208,901
Construction expenditures-water	17,456	266,332
Administrative expenditures	<u>21,698</u>	<u>12,875</u>
Total expenditures	<u>63,319</u>	<u>488,108</u>
Excess (deficiency) of revenues over expenditures	-	-
Fund balance at beginning of year	<u>-</u>	<u>-</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>

ENTERPRISE FUND

WATER UTILITY FUND - to account for the provision of water services to the Town. All activities necessary to provide such services are accounted for in this fund.

TOWN OF IOWA, LOUISIANA
WATER UTILITY FUND

COMPARATIVE BALANCE SHEETS
June 30, 2000 and 1999

<u>ASSETS</u>	<u>2000</u>	<u>1999</u>
Current assets:		
Cash	\$ 39,778	\$ 52,326
Accounts receivable (net of allowance for uncollectible accounts 2000 \$5,417 and 1999 \$3,543)	14,134	16,505
Other receivable	-	2,535
Due from other funds	-	4,252
Prepaid expenses	<u>3,142</u>	<u>3,142</u>
Total current assets	<u>57,054</u>	<u>78,760</u>
Restricted assets:		
Customers' deposits-cash	<u>12,479</u>	<u>13,494</u>
Property, plant and equipment:		
Land	4,002	4,002
Plants, mains and equipment	<u>3,419,800</u>	<u>2,365,725</u>
	3,423,802	2,369,727
Less accumulated depreciation	<u>1,437,151</u>	<u>1,197,020</u>
Net property, plant and equipment	<u>1,986,651</u>	<u>1,172,707</u>
Other assets:		
Deposit-Louisiana Department of Highways	<u>100</u>	<u>100</u>
Total assets	<u>\$ 2,056,284</u>	<u>\$ 1,265,061</u>
 <u>LIABILITIES AND FUND EQUITY</u>		
Liabilities:		
Current liabilities (payable from current assets):		
Accounts payable	\$ 13,349	\$ 2,574
Due to other funds	351	11,680
Other payables	<u>649</u>	<u>-</u>
Total current liabilities (payable from current assets)	14,349	14,254
Current liabilities (payable from restricted assets):		
Customers' deposits	<u>12,479</u>	<u>13,494</u>
Total liabilities	<u>26,828</u>	<u>27,748</u>
Fund equity:		
Contributed capital-General Fund	30,202	30,202
Contributed capital-Community Development Block Grant	620,496	380,666
Contributed capital-Sales Tax-Water Improvements Fund	676,928	-
Retained earnings-unreserved	<u>701,830</u>	<u>826,445</u>
Total fund equity	<u>2,029,456</u>	<u>1,237,313</u>
Total liabilities and fund equity	<u>\$ 2,056,284</u>	<u>\$ 1,265,061</u>

TOWN OF IOWA, LOUISIANA
WATER UTILITY FUND

COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN
FUND EQUITY

Years Ended June 30, 2000 and 1999

	<u>2000</u>	<u>1999</u>
Operating revenues:		
Charges for services	\$ <u>157,898</u>	\$ <u>158,321</u>
Operating expenses:		
Salaries	138,513	130,141
Payroll taxes	10,794	13,318
Insurance	27,055	19,484
Repairs, maintenance and supplies	47,555	49,995
Utilities	21,808	18,579
Depreciation	240,131	140,984
Other services and charges	<u>28,045</u>	<u>17,308</u>
Total operating expenses	<u>513,901</u>	<u>389,809</u>
Operating (loss)	<u>(356,003)</u>	<u>(231,488)</u>
Nonoperating revenues:		
Interest earned	1,206	864
Miscellaneous revenues	<u>4,029</u>	<u>80</u>
Total nonoperating revenues	<u>5,235</u>	<u>944</u>
(Loss) before operating transfers	(350,768)	(230,544)
Operating transfers:		
Operating transfers in	<u>88,836</u>	<u>222,769</u>
Net (loss)	(261,932)	(7,775)
Add depreciation on fixed assets acquired with contributed capital	<u>137,317</u>	<u>18,532</u>
Increase (decrease) in retained earnings	(124,615)	10,757
Retained earnings at beginning of year	<u>826,445</u>	<u>815,688</u>
Retained earnings at end of year	<u>701,830</u>	<u>826,445</u>

(continued on next page)

TOWN OF IOWA, LOUISIANA
WATER UTILITY FUND

COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND CHANGES IN
FUND EQUITY

Years Ended June 30, 2000 and 1999
(Continued)

	<u>2000</u>	<u>1999</u>
Retained earnings at end of year	<u>701,830</u>	<u>826,445</u>
Contributed capital-General Fund:		
Balance at beginning of year	30,202	32,067
Depreciation on water lines	<u>-</u>	<u>(1,865)</u>
Balance at end of year	<u>30,202</u>	<u>30,202</u>
Contributed capital-Community Development Block Grant:		
Balance at beginning of year	380,666	397,333
Water line extensions	284,133	-
Depreciation on water tower and lines	<u>(44,303)</u>	<u>(16,667)</u>
Balance at end of year	<u>620,496</u>	<u>380,666</u>
Contributed capital-Sales Tax Water Improvement:		
Balance at beginning of year	-	-
Water plant improvements and water line extensions	769,943	-
Depreciation on plant and lines	<u>(93,015)</u>	<u>-</u>
Balance at end of year	<u>676,928</u>	<u>-</u>
Total contributed capital-end of year	<u>1,327,626</u>	<u>410,868</u>
Total fund equity-end of year	<u>\$ 2,029,456</u>	<u>\$ 1,237,313</u>

TOWN OF IOWA, LOUISIANA
WATER UTILITY FUND

COMPARATIVE STATEMENTS OF CASH FLOWS
Years Ended June 30, 2000 and 1999

	<u>2000</u>	<u>1999</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from customers	\$ 159,254	\$ 160,358
Cash payments to suppliers for goods and services	(110,504)	(108,521)
Cash payments to employees	(149,307)	(143,459)
Net cash (used in) operating activities	<u>(100,557)</u>	<u>(91,622)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Miscellaneous revenue	4,029	80
Operating transfer from other funds (net)	88,836	222,769
Interfund payable increase (decrease)	<u>(7,077)</u>	<u>3,306</u>
Net cash provided by noncapital financing activities	<u>85,788</u>	<u>226,155</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Payments for capital acquisitions	<u>-</u>	<u>(122,683)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Receipts of interest	<u>1,206</u>	<u>864</u>
Net increase (decrease) in cash and cash equivalents	(13,563)	12,714
Cash and cash equivalents:		
Beginning of year	<u>65,820</u>	<u>53,106</u>
End of year	<u>\$ 52,257</u>	<u>\$ 65,820</u>
RECONCILIATION OF OPERATING (LOSS) TO NET CASH (USED IN) OPERATING ACTIVITIES		
Operating (loss)	\$ (356,003)	\$ (231,488)
Adjustments to reconcile operating (loss) to net cash (used in) operating activities:		
Depreciation	240,131	140,984
Changes in assets and liabilities:		
Decrease in accounts receivable and other receivables	4,906	83
(Increase) in prepaid expenses	-	(2,819)
Increase in accounts payable and other payables	<u>10,409</u>	<u>1,618</u>
Net cash (used in) operating activities	<u>\$ (100,557)</u>	<u>\$ (91,622)</u>

(continued on next page)

TOWN OF IOWA, LOUISIANA
WATER UTILITY FUND

COMPARATIVE STATEMENTS OF CASH FLOWS
Years Ended June 30, 2000 and 1999
(Continued)

	<u>2000</u>	<u>1999</u>
SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING ACTIVITIES		
Water line extensions transferred to Water Utility Fund from General Fixed Assets Group of Accounts (acquired in 1999; funded by grant from Louisiana Community Development Block Grant)	\$ 266,322	
Water plant improvements and water line extensions transferred from Sales Tax- Water Improvements Special Revenue Fund	<u>769,943</u>	
Total	<u>\$ 1,036,265</u>	

**GENERAL FIXED ASSETS
ACCOUNT GROUP**

To account for fixed assets not used in
proprietary fund operations.

TOWN OF IOWA, LOUISIANA

STATEMENT OF GENERAL FIXED ASSETS
June 30, 2000 and 1999

	<u>2000</u>	<u>1999</u>
General fixed assets:		
Building	\$ 676,182	\$ 676,182
Land	134,670	134,670
Improvements, other than buildings	2,025,812	1,636,571
Furniture and equipment	528,864	445,683
Vehicles	419,362	418,562
Construction in progress	<u>-</u>	<u>475,232</u>
Total general fixed assets	<u>\$ 3,784,890</u>	<u>\$ 3,786,900</u>
Investment in general fixed assets:		
Property acquired prior to 7-1-86	\$ 97,725	\$ 97,725
Iowa Fire Protection District No. 1 of Calcasieu Parish	633,820	620,036
Property acquired after 7-1-86 from:		
General fund revenues	1,870,037	1,839,523
Sales tax fund revenues	943,717	747,514
Federal revenue sharing funds	<u>239,591</u>	<u>482,102</u>
Total investment in general fixed assets	<u>\$ 3,784,890</u>	<u>\$ 3,786,900</u>

TOWN OF IOWA, LOUISIANA

STATEMENT OF CHANGES IN GENERAL FIXED ASSETS BY FUNCTION
Year Ended June 30, 2000

<u>Function</u>	<u>Balance Beginning of Year</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance End of Year</u>
General government	\$ 526,570	\$ 14,308	\$ -	\$ 540,878
Public safety	240,124	21,402	-	261,526
Highways and streets	86,111	8,323	-	94,434
Sanitation	1,767,715	158,973	-	1,926,688
Culture and recreation	280,012	47,533	-	327,545
Fire protection district	620,036	13,783	-	633,819
Water utility	<u>266,332</u>	<u>-</u>	<u>(266,332)</u>	<u>-</u>
Total general fixed assets	<u>\$ 3,786,900</u>	<u>\$ 264,322</u>	<u>\$ (266,332)</u>	<u>\$ 3,784,890</u>

**GENERAL LONG-TERM DEBT
ACCOUNT GROUP**

This account group records long-term liabilities expected to be financed from governmental type funds.

TOWN OF IOWA, LOUISIANA

STATEMENT OF CHANGES IN LONG-TERM DEBT
Year Ended June 30, 2000

	Balance June 30, <u>1999</u>	<u>Increase</u>	<u>Decrease</u>	Balance June 30, <u>2000</u>
Amount to be provided from Iowa Fire Protection District for the retirement of long-term debt:				
New pumper fire truck	\$ 22,439	\$ -	\$ (13,525)	\$ 8,914
Amount to be provided from excess revenues for the retirement of long-term debt:				
Sewer plant upgrade	<u>839,000</u>	<u>-</u>	<u>(89,000)</u>	<u>750,000</u>
Amount to be provided	<u>\$ 861,439</u>	<u>\$ -</u>	<u>\$ (102,525)</u>	<u>\$ 758,914</u>
Notes payable	\$ 22,439	\$ -	\$ (13,525)	\$ 8,914
Certificate of indebtedness	<u>839,000</u>	<u>-</u>	<u>(89,000)</u>	<u>750,000</u>
Total general long-term debt	<u>\$ 861,439</u>	<u>\$ -</u>	<u>\$ (102,525)</u>	<u>\$ 758,914</u>

**INDEPENDENT AUDITOR'S REPORTS
ON INTERNAL CONTROL
AND COMPLIANCE**

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Otray J. Woods Jr., CPA, Inactive
Robert E. Cargile, CPA, Inactive
William A. Mancuso, CPA, Retired

Charles I. McElroy, CPA (1917-1997)
Patrick J. Reddin, CPA (1926-1995)
Frank D. Burch, CPA (1921-1991)

REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Honorable Mayor
and Town Council
Town of Iowa
Iowa, Louisiana

We have audited the financial statements of the Town of Iowa, Louisiana as of and for the year ended June 30, 2000, and have issued our report thereon dated November 8, 2000. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Audit Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Town of Iowa's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

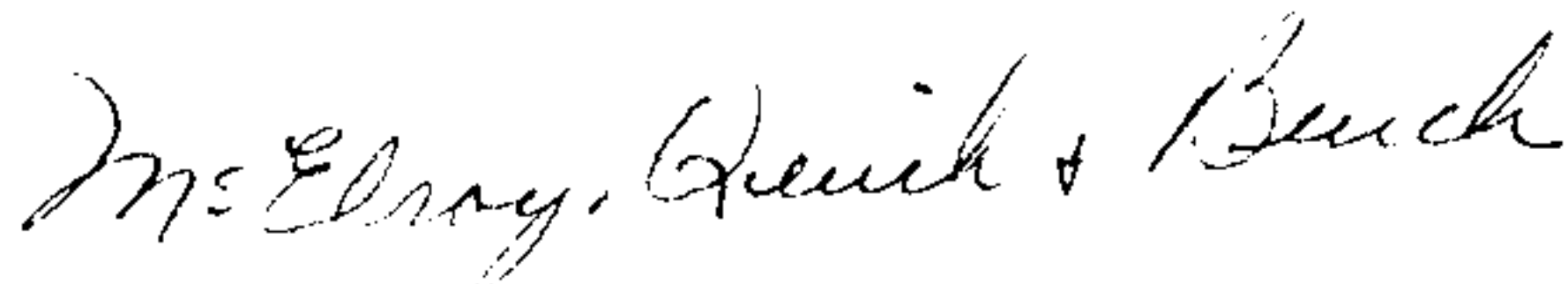
Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Town of Iowa's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its

operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the Town of Iowa's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. Reportable conditions are described in the accompanying schedule of findings and questioned costs as item 00-1.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we considered item 00-1 to be a material weakness.

This report is intended for the information of the Board, management, and other state and federal audit agencies and is not intended to be and should not be used by anyone other than these specified parties.



Lake Charles, Louisiana
November 8, 2000

TOWN OF IOWA, LOUISIANA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2000

00-1 Segregation of Duties

Condition: Because of the entity's size and the limited number of accounting personnel, it is not feasible to maintain a complete segregation of duties to achieve effective internal control.

Criteria: Effective internal control requires adequate segregation of duties among client personnel.

Effect: Without proper segregation of duties, errors within the financial records or fraud could go undetected.

Recommendation: To the extent cost effective, duties should be segregated and management should attempt to mitigate this weakness by supervision and review procedures.

Response: We concur with this recommendation. Management has implemented supervision and review procedures such as review and approval of supporting documents related to expenditures, and separation of duties related to opening mail and recording monies received.

TOWN OF IOWA, LOUISIANA

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS BASED ON AN
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS
Year Ended June 30, 2000

FINDING 99-1: Bank Reconciliation

Condition: This finding was a reportable condition and a material weakness. The Town failed to prepare bank reconciliations for certain accounts in a timely manner for the year ended June 30, 1999.

Recommendation: Bank reconciliations should be prepared on a monthly basis.

Current status: No similar condition existed for the year ended June 30, 2000.

FINDING 99-2: Inadequate Segregation of Duties

Condition: This finding was a reportable condition relating to the entity's size and limited number of accounting personnel which made it impossible to achieve effective internal accounting control.

Recommendation: To the extent cost effective, duties should be segregated and management should attempt to mitigate this weakness by supervision and review procedures.

Current status: The condition still exists, however, it has been mitigated by the review procedures as described in Finding 00-1.